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**CHEMISTREE INCREASES PRIVATE PLACEMENT FINANCING A SECOND TIME;  
-closes Washington State acquisition  
-engages investor relations teams  
-stock options granted**

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**Vancouver, British Columbia, July 10, 2018** – Chemistree Technology Inc. (Canadian Securities Exchange: CHM) (US OTCQB: CHMJF) (the “Company” or “Chemistree”) announced that in conjunction with the final closing of the private placement announced May 11 and June 22, 2018, it has again increased the size of its non-brokered private placement. Chemistree now plans to increase the size of the placement via the issuance of up to an aggregate of thirteen million units at a price of \$0.35 per unit, for gross proceeds of up to \$4,550,000. Each unit will be comprised of one common share and one common share purchase warrant (a “Warrant”); each Warrant will entitle the holder to acquire one additional common share for \$0.50 for a period of 24-months after closing of the private placement. The Warrants are subject to an acceleration provision whereby if the closing market price of the Common Shares of the Company on the Canadian Securities Exchange (the “Exchange”) is greater than \$0.60 per Common Share for a period of ten (10) consecutive trading days (a “Trigger Event”), then the Company may deliver a notice (the “Acceleration Notice”) to the holders of Warrants notifying the holders that the Warrants must be exercised within thirty (30) calendar days from the date of the Acceleration Notice, otherwise the Warrants will expire at 4:00 p.m. (Vancouver time) on the thirtieth (30th) calendar day after the date of the Acceleration Notice.

The Company plans to close the second and final tranche of the placement tomorrow.

The net proceeds of the private placement will be added to general working capital. Closing of the private placement is subject to receipt of all necessary approvals and definitive subscriptions. All units, common shares and Warrants issued under the private placement will be subject to a four-month hold period from the closing date, in accordance with applicable Canadian securities laws.

The units, common shares and Warrants have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the units, common shares or Warrants, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**Washington Acquisition**

Further to the definitive asset purchase agreement announced on June 1, 2018, the Company has completed, through its wholly owned subsidiary, Chemistree Washington Ltd. (“Chemistree Washington”), the purchase of a suite of Washington-based assets used in cannabis cultivation, production, distribution and branding.

Chemistree Washington entered into a definitive asset purchase agreement with Elite Holdings Inc. with respect to the Washington acquisition. Pursuant to the Washington acquisition agreement, Chemistree Washington acquired certain assets, including, but not limited to, all inventory, leases, software, furniture, systems, equipment and lighting from the Washington vendor. The acquisition does not include any receivables, payables, warranties, employee or tax liabilities of the Washington vendor.

### **Investor Relations Arrangements**

Chemistree is also pleased to announce that it has entered into consulting agreements with Contact Financial Corp. and Adelaide Capital Markets Inc. (“IR Firms”) to provide investor relations and communication services. The Company has selected the IR Firms as experienced arm’s length firms that specialize in small-cap growth companies and will generate value by sharing Chemistree’s compelling story to wealth managers, brokers, institutions, analysts, portfolio managers, retail and high net worth clients globally. Contact Financial, headed by Kirk Gamley, is based in Vancouver, British Columbia, and Adelaide Capital, Markets headed by Deborah Honig and Jackie Kelly, is based in Toronto, Ontario.

In addition to the contracted compensation, and subject to Exchange approval, Chemistree has agreed to grant Contact Financial and Adelaide Capital Markets options to acquire 150,000 and 100,000 common shares, respectively, in the capital of the Company at a price of \$0.41 per share that vest quarterly over twelve months and have a five-year term.

Other than 1,400,000 common shares and 200,000 warrants held directly and indirectly by Contact Financial, none of Contact Financial, Adelaide Capital Markets or their respective owners has any interest, directly or indirectly, in the Company or its securities, or any right or intent to acquire such an interest, other than the above stock option grants.

### **Option Grant**

Pursuant to the Company’s stock option plan, the Company has granted options to purchase 250,000 common shares at \$0.41 per share to certain eligible officers and consultants. The options expire in five years.

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States.

### **Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws**

The concepts of “medical cannabis” and “recreational cannabis” do not exist under U.S. federal law. The Federal Controlled Substances Act classifies “marihuana” as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defense to any federal

proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company following the completion of the acquisitions, and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, will be included in the Form 2A listing statement to be filed with the CSE.

"Karl Kottmeier"

President

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Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", "budget", "scheduled" and "intend", statements that an action or event "may", "might", "could", "should", or "will"

be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about adding clients, building on the Company's initial product offerings, the timing and completion of the Washington State asset acquisition, receipt of shareholder, regulatory and CSE approvals for the asset acquisition and change of business, and the size and completion of the non-brokered private placement and the use of proceeds therefrom. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risks identified in the Company's reports and filings with the applicable Canadian securities regulators, failure to obtain CSE, shareholder or regulatory approvals for the asset acquisition, the Strategic Partner may fail to obtain WSLCB approval when expected or at all or may fail to acquire the Sugarleaf License on the terms and timing expected or at all, the Company may fail to enter into agreements with the Strategic Partner on the terms and timing and for the services expected or at all and changes to U.S. federal law or Washington State law or enforcement practices relating to cannabis. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.